

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: May 3, 2002

SUBJECT: Fiscal Impact Statement: "Southeast Neighborhood House
Real Property Tax Exemption and Equitable Real Property
Tax Relief Emergency Act of 2002"

REFERENCE: Draft Legislation - No Bill Number Available

Conclusion

Funds are not sufficient in the proposed FY 2002 through FY 2005 budget and financial plan to implement the proposed legislation. **The District will forego \$78,252 in real property tax in FY 2002 through FY 2005.**

Background

The proposed legislation would exempt and forgive real property tax on property identified as lots 0808, 0904 and 0905 in Square 5802. In addition, the proposed legislation would forgive accrued interest, related charges and penalties on unpaid real property tax liabilities for the subject property. The property is located at the 1200 block of Maple View Place, S.E. and the 2200 block of Mount View Place, S.E.

Financial Plan Impact

Funds are not sufficient in the FY 2002 through FY 2005 budget and financial plan because provisions of the proposed legislation will reduce net local General Fund revenue by \$78,252. This figure represents taxes, penalties and interest on the subject property for the period of Tax Years 1996 to 2005. No payments were received during the period of 1996 to present. The following table presents the net local General Fund revenue loss.

Estimated Foregone Revenue Impacting Financial Plan				
FY 2002	FY 2003	FY 2004	FY 2005	4-Year Total
\$61,433	\$5,415	\$5,604	\$5,800	\$78,252